

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO *et al.*,

Debtors.¹

X

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: PROMESA

: Title III

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: Case No. 17-BK-3283 (LTS)

:

: (Jointly Administered)

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X

**LIMITED RESPONSE OF OFFICIAL COMMITTEE OF UNSECURED
CREDITORS TO URGENT MOTION OF LAWFUL CONSTITUTIONAL
DEBT COALITION UNDER BANKRUPTCY CODE SECTIONS 105(A) AND 502
AND BANKRUPTCY RULE 3007 FOR ENTRY OF AN ORDER APPROVING
NOTICE PROCEDURES WITH RESPECT TO OMNIBUS OBJECTION TO
CLAIMS FILED OR ASSERTED BY HOLDERS OF CERTAIN BONDS
ISSUED OR GUARANTEED BY THE COMMONWEALTH**

To the Honorable United States District Judge Laura Taylor Swain:

The Official Committee of Unsecured Creditors (the “Committee”)² hereby files this limited response (the “Limited Response”) to the *Urgent Motion of Lawful Constitutional Debt Coalition Under Bankruptcy Code Sections 105(a) and 502 and Bankruptcy Rule 3007, for Entry of an Order Approving Notice Procedures with Respect to Omnibus Objection to Claims filed or*

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17-BK-3283- LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17-BK-3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17-BK-3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17-BK-3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17-BK-4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority (“PBA”) (Bankruptcy Case No. 19-BK-5233-LTS) (Last Four Digits of Federal Tax ID: 3801) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² The Committee is the official committee of unsecured creditors for all Title III Debtors, other than PBA and COFINA.

Asserted by Holders of Certain Bonds Issued or Guaranteed by the Commonwealth [Docket No. 9731] (the “Notice Procedures Motion”). In support of this Limited Response, the Committee respectfully states as follows:

LIMITED RESPONSE

1. On January 8, 2020, the Lawful Constitutional Debt Coalition (the “LCDC”) filed its omnibus objection to claims filed by holders of bonds which were issued in excess of constitutional debt limits [Docket No. 9730] (the “LCDC Objection”). Concurrently with the LCDC Objection, the LCDC also filed its Notice Procedures Motion, requesting that the Court approve certain procedures and forms of notice in connection with the LCDC Objection. Among other things, the Notice Procedures Motion seeks Court approval of English and Spanish-language forms of notice of the LCDC Objection, attached as Annex A and Annex B, respectively, to the Notice Procedures Motion.

2. Shortly thereafter, the Committee filed its additional omnibus objection to claims [Docket No. 9735] (the “Miscellaneous Debt Limit Claim Objection”) which seeks to invalidate certain claims based on constitutional debt limit grounds, including claims based on some of the same guaranties that are the subject of the LCDC Objection (namely the Commonwealth’s guaranties of certain bonds issued by the Puerto Rico Infrastructure Authority and certain bonds issued by the Port of Americas Authority).

3. The Committee does not object to the substance of the relief sought in the Notice Procedures Motion. However, the Committee believes that in the interest of making the process more efficient for holders of bonds the proposed notice should be expanded to also cover the Miscellaneous Debt Limit Claim Objection. A single form of notice addressing both the LCDC Objection and the Miscellaneous Debt Limit Claim Objection serves not only the interest of efficiency, but will also reduce potential confusion among claimants, especially in light of the

fact that certain of the Commonwealth guaranties subject to the LCDC Objection are also subject to the Miscellaneous Debt Limit Claim Objection. Furthermore, given that the Committee has previously handled service of notices related to objections to GO bonds and PBA bonds (including publication notice), the Committee is prepared to handle service of this notice as well.

4. A revised proposed order, including the revised proposed notice, is attached hereto as **Exhibit A**. A blackline marked to show changes against the proposed order attached to the Notice Procedures Motion is attached hereto as **Exhibit B**.

5. Counsel to the Committee has conferred with counsel for the LCDC regarding the changes reflects in the revised proposed order. Counsel for the LCDC has confirmed that they have no objection to these revisions.³

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³ Each of the Committee and the LCDC, as applicable, shall have sole responsibility for prosecuting its respective claim objection.

WHEREFORE, the Committee requests that the Court approve the proposed form of notice attached hereto as **Exhibit A** in connection with the Notice Procedures Motion.

Dated: January 9, 2020

By: /s/ Luc A. Despins

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